

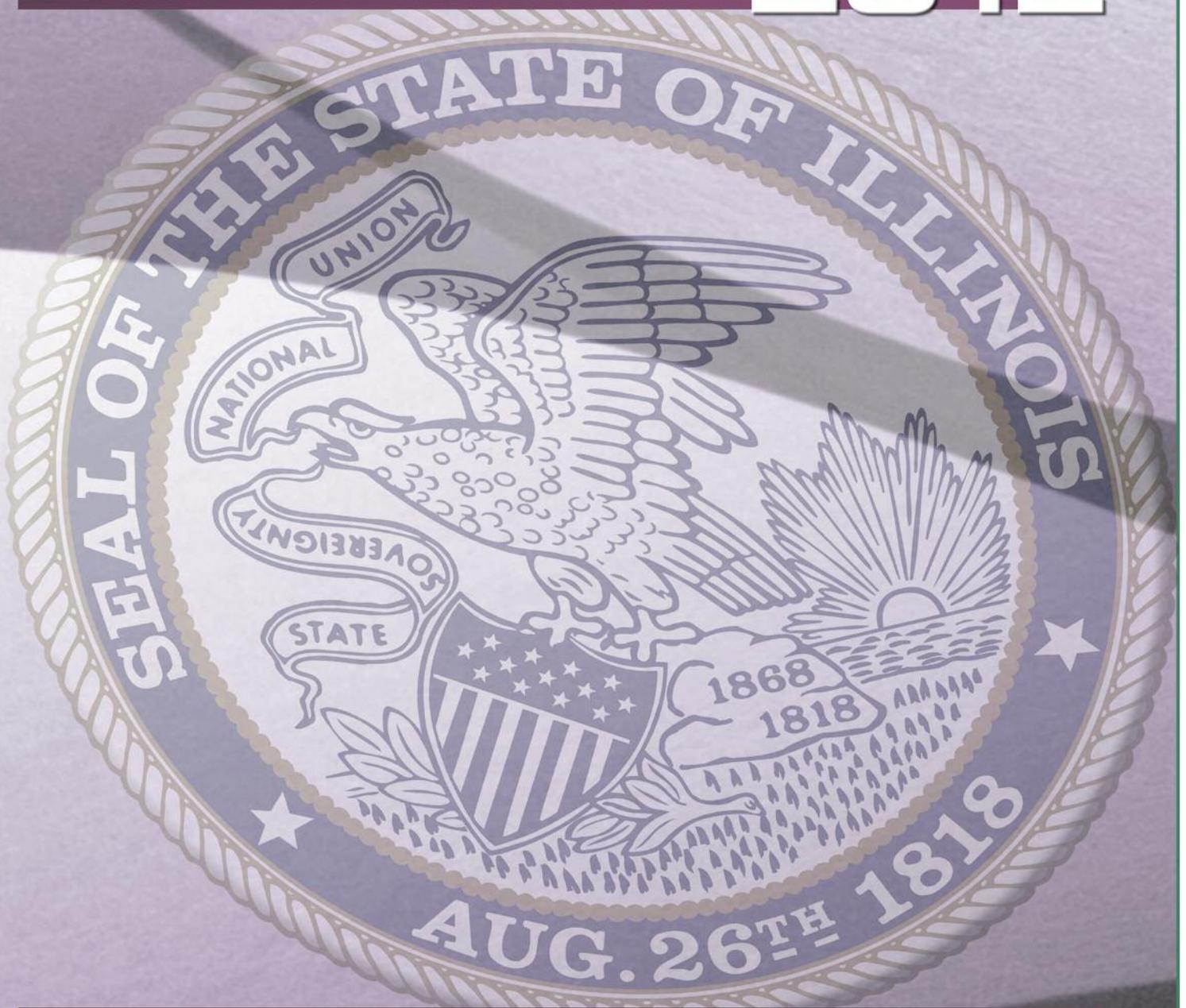


State of Illinois
Illinois Department of Insurance

DOI

Illinois Department of Insurance
Office of Consumer Health Insurance

Report
2012



Pat Quinn
Governor

Andrew Boron
Director of Insurance



Illinois Department of Insurance

PAT QUINN
Governor

ANDREW BORON
Director

January 31, 2013

To: Pat Quinn, Governor
Andrew Boron, Director of Insurance
Honorable Members of the General Assembly

From: The Office of Consumer Health Insurance/Uninsured Ombudsman

Re: The Office of Consumer Health Insurance 2012 Annual Report

The Office of Consumer Health Insurance (OCHI) is pleased to submit its 2012 Annual Report as required by the Managed Care Reform and Patient Rights Act (215 ILCS 134/90).

OCHI has completed twelve full years of operation within the Department of Insurance and continues to act as an essential resource for consumers with health insurance questions and as a valuable ally for individuals and businesses seeking health insurance.

We anticipate continued success in the upcoming years and value any comments or suggestions you may have.

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Preface

Established on January 1, 2000, by the Managed Care Reform and Patient Rights Act, the Office of Consumer Health Insurance (OCHI) operating within the Illinois Department of Insurance (Department) continued to serve Illinois residents in 2012 by responding to their health-related inquiries. In 2012, OCHI was staffed by five insurance analysts for the total year. One analyst spends a portion of the time traveling and representing OCHI and the Uninsured Ombudsman to the public.

The responsibilities of OCHI, as set forth by the Managed Care Reform and Patient Rights Act, have not changed since its inception. That said, activities have intensified, in light of enactment of several provisions of the Affordable Care Act, the state of the economy and the large number of uninsured residents. Its two main functions are to assist consumers in relation to their health insurance needs and to report annually on the state of the health insurance marketplace. OCHI provides assistance to Illinois consumers through a toll-free, consumer inquiry telephone number and through other outreach mechanisms including speaking engagements, health fairs, radio and television interviews, and the distribution of consumer-friendly fact sheets. Through these media, OCHI helps consumers understand their insurance coverage, advises persons of their rights under insurance policies, assists insureds in filing appeals and complaints, and provides appropriate resources to Illinois residents who need assistance.

In 2002, the Department expanded the OCHI mission to include the administration of the Uninsured Ombudsman Program (Ombudsman) established by Public Act 92-0331 (20 ILCS 1405/1405-25). The Ombudsman is responsible for providing assistance and education to individuals regarding health insurance benefit options and rights under state and federal laws. The Ombudsman also counsels uninsured individuals on finding and shopping for insurance, evaluating insurance products, comparing options when buying health insurance coverage, and providing information on non-insurance resources available throughout the state.

In assessing the overall state of the health insurance marketplace in Illinois, OCHI reviews state and federal legislation and regulations, monitors significant trends affecting health coverage for Illinois citizens, identifies specific problems faced by health insurance consumers, and sets forth specific recommendations to address those problems. These will be highlighted later in this report.

Executive Summary

The Managed Care Reform and Patient Rights Act (215 ILCS 134/1 et seq.) established the Office of Consumer Health Insurance (OCHI) in January 2000. In 2012 OCHI's thirteenth year of operation, staff received 23,917 calls (increased from 19,612 calls or 18% in 2011) and provided consumers with a broad range of health coverage information. OCHI staff also participated in outreach activities, including assisting health insurance consumers at the State Fair, presentations to professional and community groups, and providing information on various radio and television talk programs.

Section 1 of this Report describes the types of calls received by OCHI and the modes of assistance provided to callers.

Section 2 describes the various activities of the OCHI staff, including steps taken to educate consumers about their health plans, and the development of consumer fact sheets made available on the Department's internet site.

Section 3 documents efforts to expand public knowledge of OCHI and its services, and provides details on the consumer calls received during the year.

Section 4 describes activities of the Uninsured Ombudsman Program and steps taken to assist uninsured consumers, including assisting in the search for health insurance, helping to access local services at community-sponsored health centers, and providing information on the availability of state and federal health-related programs.

Section 5 contains information about the status of the state's health insurance marketplace, government actions affecting health coverage options, and recommendations for improving health insurance regulation.

Section 6 contains the Report's exhibits.

1. Helping Consumers Understand Their Health Insurance and Appeal Rights

The Office of Consumer Health Insurance (OCHI) responded to a wide array of questions from consumers during calendar year 2012. Staff managed calls from a variety of individuals and groups, including consumers, employers, agents, associations, attorneys, health care providers, and advocates.

OCHI provides information and education that consumers need to understand their health coverage. OCHI staff often helps consumers define, in practical terms, the specific challenges they are experiencing. OCHI staff explain differences between rights and benefits available in individual, small group, and large group insurance products, and related rights guaranteed by the Health Insurance Portability and Accountability Act (HIPAA)(215 ILCS 97/1 et seq.) and the Patient Protection and Affordable Care Act (ACA) (Public Law 111-148). Consumers also are provided plan-specific information, including continuation of coverage options. In addition to providing one-on-one consumer consultations, OCHI refers consumers to the Department's internet site (<http://www.insurance.illinois.gov>) to research a particular topic from one of the Department's many user-friendly fact sheets.

In 2012, OCHI received calls requesting information on many topics, including information about new laws passed by the United States Congress and the Illinois General Assembly including:

- adding young adults as dependents on a parent's health insurance;
- appealing claim denials or pre-certification of service denials;
- filing an external independent review;
- how to apply for insurance plan continuation;
- how to access health insurance or other resources to aid with payment of medical bills; and
- requests for information regarding the varied and technical aspects of the ACA.

External Reviews

OCHI guided insurance consumers and HMO enrollees with adverse determinations through internal appeal procedures as mandated by the Managed Care Reform and Patient Rights Act and the external independent review process, a process mandated by the Health Care External Review Act (P.A. 96-857). The Health Care External Review Act was amended by P.A. 97-0574, effective August 26, 2011, which provides that external review requests be filed with the Director of Insurance. Prior to that date, external review requests were filed with and assigned by the carrier. Under the new law, the Department assigns a registered independent review organization on a random basis.

In 2012, OCHI staff responded to 484 calls on external review. Among other issues, OCHI staff explained the information needed for the request, the relevant time periods, and the role played by the patient's health care provider. Following are summary statistics of external review requests handled by the Department during 2012:

- 1,038 external review requests closed
- 79 adverse determinations overturned with carrier paying claim or approving requested services
- 171 requests closed as incomplete
- 17 federal process – information provided to consumer
- 406 requests not eligible for external review
- 365 reviews assigned and completed
 - o 101 overturned (28%)
 - o 12 partially overturned (3%)
 - o 252 upheld (69%)
- 63 of completed reviews handled on an expedited basis (15.5%)

Complaints

The Department investigated 8,945 complaints in 2011. Of those, 2,865 (32%) were related to individual and group accident and health insurance and HMO products. Complaints regarding self insured employer health plans totaled 920 and are not included in the reconciled numbers reported below.

Following are summary statistics of reconciled accident and health and HMO complaints investigated by the Department for 2011, compared to 2010:

Coverage	Underwriting	Marketing/Sales	Claims	Service	Total
Individual A&H (2010)	223	15	470	69	776
Individual A&H (2011)	246	7	388	55	696
Group A&H (2010)	126	4	2,130	93	2,353
Group A&H (2011)	101	9	1,648	68	1,826
HMOs (2010)	20	2	319	13	354
HMOs (2011)	19	3	312	9	343

Complaint data for 2012 will be addressed in the 2013 report.

2. Educating Enrollees About Their Health Insurance Rights

During 2012 OCHI staff fielded over 3,175 calls related to general group and individual health insurance questions including but not limited to:

- Termination and continuation of group coverage
- Incorrect or nonpayment of benefit claims
- Coverage for young adult dependents and other new benefits resulting from passage of the ACA
- Inability to obtain an adequate individual health benefit plan
- Unaffordability of/increases in premiums for health insurance coverage

As in previous years, several large and small employers declared bankruptcy or laid off employees in 2012, generating many calls to OCHI regarding federal COBRA and Illinois mini-COBRA laws granting rights to continue group coverage. Questions about continuation rights continued to be the major topic of concern for OCHI callers, totaling over 1,896.

Claim problems continued to be the major concern for callers to the OCHI hot-line. OCHI staff assisted over 5,703 callers by discussing claim problems; advising of internal appeal and/or external review procedures, directing to the proper agency (if applicable) and providing guidance for filing complaints with the Department. This represents a nearly 65% increase in claims related calls over 2011.

OCHI referred 915 callers to the Illinois Comprehensive Health Insurance Plan (CHIP), the state health benefits program established to provide coverage to Illinois residents who cannot otherwise obtain insurance due to preexisting health conditions. CHIP provides coverage under the Traditional CHIP pool for residents who do not have creditable coverage or who do not otherwise qualify under HIPAA. CHIP also provides coverage to federally eligible individuals as Illinois' HIPAA alternative mechanism for individual health insurance coverage. [215 ILCS 105/1 et seq.]

The ACA established federally-funded temporary high risk pools to provide transitional coverage until 2014 for the currently uninsured population. In order to be eligible for the coverage, a person must be a U.S. citizen, national or legal resident; must be uninsured for 6 months; and have a preexisting condition. States were invited to apply for federal grants if they desired to run their own program. Illinois received a grant for approximately \$196 million dollars which was used to establish the Illinois Pre-Existing Condition Insurance Plan (IPXP) in August 2010. OCHI answered 521 questions regarding the IPXP in 2012.

Questions regarding the provisions of the ACA totaled 910. Questions regarding the new federal requirement under ACA for coverage of adult dependent children to age 26, coupled with the Illinois law (Public Act 95-0958) effective June 1, 2009) that provided parents with insurance policies that cover dependents the right to elect coverage for qualifying dependents up to age 26 and up to age 30 for military veteran dependents, totaled 91. Other categories included under the umbrella of the ACA included grandfathered plan questions (12), IPXP (521), limits/waivers (64), medical loss ratios (19), preventive services (41), small employer provisions (7) and other (148).

OCHI staff handled 461 questions regarding enrollee rights under the federal Health Insurance Portability and Accountability Act (HIPAA), which, among other things, allows individuals to move from one employer based group health plan to another without underwriting and application of pre-existing waiting periods if done within a specific time period. HIPAA rights continue to be an important aspect of health insurance and OCHI continues to assist with these questions.

OCHI staff handled 262 calls from consumers about insurance rates. The Department has made more information available to consumers about medical insurance rate review on its web site for their review and comment.

OCHI, in conjunction with the Department, continues to create and provide fact sheets in response to questions received from Illinois consumers. These fact sheets, which effectively explain complex insurance issues important to consumers, are available on the Department's website (http://insurance.illinois.gov/Main/Consumer_Facts.asp). For callers unable to access this information via the internet, requested materials were mailed.

The following is a list of health insurance related consumer fact sheets currently available on the Department's Internet site.

- Autism
- Birth Control
- Breast Cancer- Coverage for Detection and Treatment
- Cancer
- Claim Denial - What To Do If an Insurer Denies Your Claim
- COBRA – Federal Subsidies Under Stimulus Plan
- Continuation Rights
 - o COBRA
 - o Illinois Law
 - o Illinois Spousal Law
 - o Dependent Children
 - o Municipal Employee
- Coordination of Benefits (COB)
- Current IL Premium Rate Filings
- Diabetes
- Disability Income Insurance
- External Review
- Glossary of Health Insurance Terms
- Health Insurance Exchanges
- HIPAA - Preexisting Conditions
- Health Insurance Related Acronyms
- Health Maintenance Organizations (HMOs)
- Independent Review of Denied Health Insurance Claims
- Individual Accident and Health Insurance FAQ
- Individual Major Medical Insurance

-
- Infertility
 - Long Term Care Company List
 - o Brochure Request
 - Managed Care Reform
 - Mandated Benefits
 - Maternity Benefits
 - Medical Loss Ratios
 - Medical Necessity
 - Medicare Supplement
 - Mental Health Fact Sheet/FAQ
 - Newborn Children
 - Patient Protection and Affordable Care Act
 - Premiums (Webinar- A consumer's guide to Rate Review for Indv Health Ins.)
 - Premiums (Webinar – A consumer's guide to Rate Review for Group plans)
 - Premium Rate Review Frequently Asked Question
 - Premium Rate Review (English)
 - Premium Rate Review (Spanish)
 - Premium Rate Review (Korean)
 - Premium Rate Review (Polish)
 - Prompt Pay Law
 - Rate Review Brochure
 - Rebates and Medical Loss Standards in the Individual Market
 - Rebates and Medical Loss Standards in the Group Market
 - Rate Review Process in Illinois
 - Self-Insured Health Plans
 - Small Business Exchange
 - Small Business Coverage Tax Credit
 - Small Employers
 - o SE Health Insurance Rating Act
 - Tax Filing Deadlines
 - Uninsured Ombudsman Program
 - Usual and Customary Fees
 - Women's Health Care Issues
 - Young Adult Dependent Coverage Fact Sheet (P.A. 095-0958)

The Department maintains an [Insurance Consumer Fact Sheets](#) section on its web site that contains resources relevant to various types of insurance.

In addition to the fact sheets, consumers can access helpful information through highlighted sections on the web site, as well as links to other Internet resources, including Health Insurance Reform and the Health Insurance Exchange; the Illinois Preexisting Condition Insurance Plan (IPXP); filing complaints, appeals and requests for external review; rate review; and medical loss ratios, among others.

3. Expanding Public Knowledge of OCHI and Available Services

OCHI continues to use new strategies and technologies to reach consumers and consumer groups, and continues to perform valuable research for consumers seeking answers to general and specific health insurance questions.

OCHI promotes services in various ways, including speaking on radio talk shows and with local newspapers; taking part in Rapid Response Meetings for dislocated workers who have lost insurance coverage; coordinating with local agencies that provide services to Illinois residents; and actively engaging government officials, insurance agents, and insurance companies.

OCHI receives calls from consumers regarding the entire spectrum of health coverage issues, often concerning specific diseases or conditions and the related financial burdens faced by those who are uninsured or underinsured. To provide answers to consumer questions, OCHI staff is trained on the relevant sections of the Illinois Insurance Code and the Illinois Administrative Code. General familiarity with certain federal laws and regulations (e.g., the Employee Retirement Income Security Act (ERISA) and COBRA (federal health coverage continuation rights) is also a necessity. Given the unique coverage questions and challenges faced by consumers, particularly relating to disease specific mandates, OCHI staff utilize additional resources, including the Internet, as well as other state and local agencies (e.g., state and local public health departments), to provide clear and helpful answers. In many cases, OCHI directs uninsured and underinsured consumers to providers of low-cost or subsidized medical services.

OCHI continues to identify government agencies and not-for-profit organizations that provide emergency services to persons in need of assistance for specific health care conditions. As new information is obtained, it is entered into the OCHI database as a potential resource for future callers.

OCHI received a total of 23,917 calls on its toll-free telephone number (877-527-9431) during calendar year 2012. Since its inception in 2000, OCHI's toll-free telephone number has received approximately 220,760 phone calls. Exhibit 5 depicts calls received by OCHI each year since 2000. In addition to the increased number of calls received, the complexity of health care issues has resulted in a longer duration of many calls.

Other Duties as Assigned by the Director

During the early years of OCHI, benchmarks were established for staff to ensure prompt consumer assistance. For example, OCHI staff immediately responds to approximately 90% of incoming calls; OCHI returns more than 99% of all voicemail messages within one hour of receipt; OCHI strives to directly answer the consumer's questions while on the phone or researches the issue of concern and responds to the consumer within 24 hours. OCHI continues to meet all its consumer assistance benchmarks despite the increased volume and complexity of the calls.

In 2012, OCHI continued to assist the Department's Consumer Services Section in reviewing correspondence from consumers. Written correspondence may be determined to be an inquiry or a formal complaint. Several types of correspondence are considered inquiries in one of the following categories: (i) a letter from a consumer addressed to an insurer with a copy to the Department; (ii) a letter of complaint that does not contain enough information for the Department to begin a formal investigation; (iii) a general question about insurance or insurance law; or (iv) a letter requesting assistance on a matter that is not within the jurisdiction of the Department. OCHI staff reviews the correspondence and determines if it is an inquiry or a formal complaint. If the correspondence is determined to be a formal complaint, an insurance analyst is assigned, computerized clerical tasks are utilized to notify the insurer of the complaint and to acknowledge receipt of the complaint to the consumer. If it is determined to be an inquiry, a letter is sent back to the consumer explaining what information is needed, what action has been taken or answering the general question involved.

In 2012, OCHI staff continued assisting the Life, Accident and Health Complaint Unit with handling of written consumer complaints and inquiries. One member of the OCHI staff has primary responsibility for reviewing all incoming correspondence and determining whether they should be handled as an inquiry or complaint. That individual then selects the company involved, assigns an analyst and sets tasks for the correspondence such as type of response for the inquiry or instructions for the system to notify the carrier of the complaint and send an acknowledgement to the consumer.

Complaints and inquiries are received via regular mail, fax, or electronically, via on-line complaint or via the Department's consumer email address consumer_complaints@ins.state.il.us. OCHI staff assists with handling of basic consumer complaints received through these channels.

The OCHI staff's broad base of health insurance knowledge, combined with the database of information compiled by the Uninsured Ombudsman Program, allowed OCHI to handle approximately 1,248 written inquiries and 28 complaints in 2012.

OCHI staff is now assisting with handling of external review requests from consumers. At the end of 2012, three of the five analysts in OCHI were being trained to handle those reviews. During 2012, one OCHI analyst assisted by handling 188 external reviews. Handling of inquiries, basic complaints and external reviews by OCHI allows the Department's Consumer Service staff to focus on more complex consumer inquiries and complaints.

OCHI also assists in responding to inquiries sent to the email address of the Director of the Department of Insurance (Director). This email address, DOI.Director@illinois.gov, is posted on the Department's website for consumers to send insurance questions. In 2012, OCHI staff replied to nearly 210 consumer inquiries sent to the Director's email address.

Uninsured Ombudsman Program

In January 2002, the Uninsured Ombudsman Program (Ombudsman) was established within OCHI to educate uninsured and underinsured Illinois residents about health insurance options and benefits, including an explanation of rights guaranteed by state and federal law. The Ombudsman also informs uninsured and underinsured consumers about available low-cost or subsidized medical services.

Since its inception, the Ombudsman staff has worked with various state and local agencies to build a database of local resources that provide medical services to the uninsured and underinsured populations. Information in the database includes resources for medical, dental, mental health, prescription drug, vision, and other available health care services by county.

For calendar year 2012, the Ombudsman staff handled 1,764 telephone calls. As in previous years, calls came from the uninsured, concerned advocates, and from organizations providing assistance to the uninsured. These included other state agencies, legislators, insurance agents, radio stations, and families. In 2012, an Ombudsman Staff representative spoke for Network to Success Job Club (McHenry). In addition, the Ombudsman staff participated in the Dupage Health and Wellness Fair (Lombard), Fourth Annual African American Women's Conference (Ullin), City of Naperville Workshop for Retirees (Naperville) and Richland Community College Expo for Dislocated Workers (Decatur).

As in previous years, Ombudsman staff actively participated on the Rapid Response Team for Dislocated Workers. At meetings organized by the team, members from various agencies answered dislocated workers' questions and provided the most current information about local resources and services. The Ombudsman staff provided: critical information about continuation rights available through the employer group health insurance plan; tips on how to shop for health insurance; information regarding special enrollment rights under HIPAA (e.g., HIPAA allows dislocated workers to enroll on a spouse's employer group health plan, and the Department's contact information was provided in case the dislocated worker needed further assistance).

The right of dislocated workers to continue health insurance coverage through their former employer, whether pursuant to state continuation laws or federal COBRA laws, is a major topic of discussion if the employer group health plan remains in existence. The Ombudsman representative provided detailed information about continuation of coverage to workers and their families, which also included information regarding the ability of qualified beneficiaries to enroll separately under COBRA. The separate enrollment information is valuable at a time of financial hardship – the employee may have a dependent that insurance companies refuse to cover in the individual market due to the dependent's past or present medical condition.

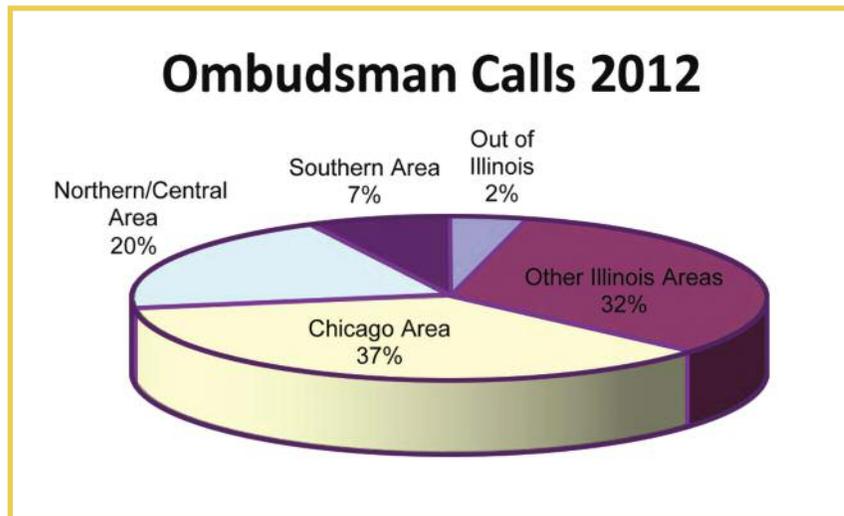
Additionally, due to a new state law, some parents and caregivers who were covered by the State of Illinois medical program known as Family Care became ineligible to stay in the program. As a result, the Ombudsman Staff was contacted by those consumers about health insurance options.

Goals for 2013 include continuing to increase public awareness of the Ombudsman Program, continuing to raise public awareness of changes brought about due to the ACA, establishing new partnerships and strengthening existing relationships with local organizations, and continuing to effectively assist the uninsured population, especially in this time of economic uncertainty.

Table 1 - 2011 Rapid Response Workshops for Dislocated Workers

Company	Location of Workshop(s)	Number of Impacted Employees
AFS Keystone/Amsted Rail	Granite City	170
Ansell Hawkeye	Beardstown	50
Archer Daniel Midland Co	Decatur	10
Argo Group/Pace Hostess Brand Inc.	Peoria	20
G and D Integrated	Decatur	399
Hostess Brand	Springfield	35
J.C. Whitney	LaSalle	68
Network Solutions	Belleville	18
Sears	Alton	60
Shell Lubricants	Roxana	20
Solix	Mattoon	26
Springfield Journal Register	Springfield	64

Chart 1 - Ombudsman Calls 2011





A. MARKET STATUS

1. Health Insurance Market

The Illinois Health Insurance Portability and Accountability Act (HIPAA) of 1997 (P.A. 90-0030) requires that health insurance companies seeking to discontinue the sale of all health insurance products in the individual, small employer, and large employer markets must provide proper notification to the Department and the insureds.

In 2012, several companies provided notice of discontinued sales or terminations within a market as noted in table below.

Company	Action
World Insurance Company	Discontinuance from the Individual and individually underwritten group association and trust business
American Republic Insurance Company	Discontinuance from the Individual and individually underwritten group association and trust business
Ohio State Life Insurance Company	Discontinuance from the Individual
Investors Life Insurance Company of North America	Discontinuance from the Individual Market
Concert Health Plan Insurance Company	Discontinuance from the small and large group Markets
Prudential Insurance Company of America	Discontinuance from the Individual Long Term Care Market
Continental Assurance Company	Discontinuance from the Individual Health Market
UnitedHealthcare of the Midwest, Inc.	Product discontinuance
Prudential Insurance Company of America	Discontinuance from the Group Long Term Care Market

2. Health Insurance Availability

a. Uninsured—National and Illinois

National

In September 2012, the U.S. Census Bureau released 2011 year-end national statistics for the uninsured. According to the report, titled “Income, Poverty, and Health Insurance Coverage in the United States: 2011,” the percentage of people without health insurance coverage decreased to 15.7% from 16.3% in 2010.

The report further states that the percentage and number of people with health insurance in 2011 increased to 84.3% and 260.2 million, up from 83.7% and 256.6 million in 2010. The percentage of people covered by private health insurance in 2011 was not statistically different from 2010 (63.9% and 197.3 million). This was the first time in ten years that the rate of private insurance coverage did not decrease.

The number of people covered by employment-based health insurance was not statistically different in 2011 (55.1% and 170.1 million). At the same time, the percentage and number of people covered by government plans increased to 32.2% and 99.5 million in 2011 compared to 31.2% and 95.5 million in 2010.

In 2011, 9.4 % of children under 18, or 7.0 million, were without health insurance, not statistically different from the 2010 estimates.

Illinois

In Illinois, the All Kids Health Insurance Program was expanded by law on November 15, 2005. As of July 2011, children may qualify for coverage under various plans based on family income and length of time uninsured. According to the Illinois Department of Healthcare and Family Services 2012 Annual Report, approximately 2.4 million children and their parents were covered by All Kids and FamilyCare plans.

Effective June 30, 2012, some adults lost eligibility for FamilyCare because of a new state law.

OCHI and the Uninsured Ombudsman received 1,764 requests in 2012 for information regarding resources available to the underinsured and uninsured. Many of those individuals had lost employer-based group health insurance and were unable to afford continuation coverage or coverage available under the HIPAA-CHIP plan.

b. Underinsured

A continued disturbing trend is the growth of the underinsured population. The underinsured are commonly defined as individuals who are exposed to significant financial losses or are unable to obtain needed care because of inadequate health coverage.

The Department continues to see a trend of complaints from consumers who purchased high deductible or limited benefit policies because of the lower premiums. While some consumers purchase limited benefit plans to supplement another policy, most make the purchase because it is the only policy they are offered or can afford.

Most consumers shop for health insurance based on price, and many of those price-conscious consumers, even after receiving an outline of policy coverage, do not fully understand the policy's benefits. For example, consumers often learn too late that the maximum out-of-pocket limit is only for covered benefits and not for all medical treatments a person might need. Consumers also may be surprised to learn that a plan imposes a deductible per occurrence, not per calendar year.

Complaints involve issues related to claim payments, including denial of claims, unsatisfactory claim payments and claim payment delays. Related to these complaints may be allegations of misrepresentation of the policy at the time of sale by the agent, association or insurer.

Examples of limits contained in a policy include but are not limited to:

- limit for outpatient lab and x-ray services to a specified amount such as \$1,000.00 per year;
- limit of 1 physician visit per day while hospital confined; and
- ambulance transport limited to \$500.00 maximum benefit per trip.

c. Employees Losing Group Health Coverage

Loss of health insurance benefits can result from many events such as loss of a job, reduction in benefits by an employer, loss of dependent status due to divorce, death of an employee, retirement of the employee, or other circumstances. Federal and state laws require employers to offer employees and dependents who lose coverage the right to continue coverage as a member of the group for specified time periods. The obstacle for most individuals is the cost of the coverage: those who elect to continue coverage must pay the full cost plus an administrative fee, in some instances, out of their own pockets.

OCHI continues to receive calls from employees losing their group health coverage and asking about continuation options. In 2012, OCHI received over 1,890 calls regarding continuation of group health coverage.

Employees lose their health insurance coverage for a variety of reasons, including layoffs, business closings, and employer bankruptcy. A complete list of employer closing notifications by month can be viewed at the Department of Commerce and Economic Opportunity (DCEO) website: http://www.ildceo.net/dceo/Bureaus/Workforce_Development/WARN/.

To address this persistent and growing problem, the State created a Rapid Response Team which informs and educates the dislocated workers and retirees about services available to ease their transition. Section 4 of this Report details the Uninsured Ombudsman Program's active membership on this team.

As reported in previous years, many employers no longer offer retiree health insurance coverage and have terminated coverage for current retirees.

The ACA created a new program called the Early Retiree Reinsurance Program to help address this situation. It provides \$5 billion in financial assistance to employers and unions to help them maintain coverage for early retirees 55 and older who are not yet eligible for Medicare. Those organizations accepted into the program receive reimbursement for medical claims for early retirees and their spouses, surviving spouses and dependents. The savings can be used to reduce employer health benefit costs, provide premium relief to workers and families, or both. Approved applicants receive reinsurance for the claims of high-cost retirees and their families of 80% of the costs from \$15,000 to \$90,000. The program ends in 2014 when Exchanges will be operational.

OCHI continues to provide information and coverage options to retirees losing coverage. OCHI works with the Senior Health Insurance Program (SHIP) to stay abreast of Medicare changes applicable to the retiree population. OCHI also educates individuals who may be eligible for relief under the federal Trade Adjustment Assistance Reform Act (TAA), including the TAA Extension Act of 2011 effective February 12, 2011. TAA provides tax credits to certain workers and retirees who purchase health insurance after losing employer-sponsored health coverage due to trade-related job losses.

d. IPXP

In Illinois, the federally-funded temporary high risk pool implemented in September, 2010, consistent with the ACA, is known as the Illinois Preexisting Condition Insurance Plan (IPXP). IPXP is an insurance program for uninsured Illinois residents with preexisting conditions to provide coverage until January 1, 2014 when the ACA prohibits insurers from basing coverage or pricing decisions on health status.

To qualify, an applicant must:

- be a U.S. citizen, national or legal resident;
- be uninsured for six months; and
- have a preexisting condition.

In addition to federal funds, IPXP is funded by premiums paid by enrollees.

In 2012 there were four plan designs with different annual deductibles and Out Of Pocket (OOP) maximums. Effective January 1, 2012, there are four plan designs, including one lower and one higher deductible plan. The deductible options are: \$500, \$1,000, \$2,000 and \$5,000.

During 2012, OCHI staff responded to 521 phone inquiries about IPXP.

As of the end of 2012, program enrollment stands at 3,231.

e. Illinois Comprehensive Health Insurance Plan

The Illinois Comprehensive Health Insurance Plan (CHIP) (215 ILCS 105/1 et seq.) operates two pools. The Traditional CHIP (215 ILCS 105/7) pool is designed for individuals who are denied health insurance coverage in the conventional market because of past or present medical conditions. This pool is funded partially through state appropriations and partially through premiums. The coverage provided includes a six-month pre-existing condition limitation.

The HIPAA-CHIP (215 ILCS 105/15) pool is the state's mechanism to protect the portability rights of individuals who have satisfied HIPAA requirements (e.g., prior creditable coverage in a group health plan). Effective June 23, 2003, HIPAA-CHIP was expanded to include the TAA-CHIP program. It became a qualified health plan pursuant to the Trade Act of 2002 for eligible persons, allowing participants to claim the Health Coverage Tax Credit (HCTC) equal to 65% of paid premium. HIPAA-CHIP by statute cannot impose pre-existing condition limitations. This pool is funded partially by health insurance industry assessments and partially by participant premiums.

Federal and state HIPAA laws guarantee access to health coverage for individuals who lose their employer-sponsored group health coverage. Illinois residents who lose group health coverage are eligible for HIPAA-CHIP plan coverage. However, the individual must exhaust all coverage available under federal COBRA or state continuation laws before becoming eligible for HIPAA-CHIP. As discussed previously, federal COBRA and state continuation coverage is unaffordable for many Illinoisans. The high cost of continuation coverage, therefore, acts as a barrier to HIPAA-CHIP eligibility.

Top Agency Accomplishments for CHIP for 2012 include:

- Adjusted premium rates to account of the exclusion of preventive care benefits and to apply age-specific tobacco user factors or "loads."
- Increased, through 6/30/12, utilization of generic prescription drugs by 5%, resulting in almost \$6.5 million in savings, primarily from the use of the generic form of Lipitor.
- Undertaken various cost containment measures with its pharmacy benefit manager, Catamaran. These include limiting the number of diabetic test strips issued to each diabetic enrollee, and implementing in July a drug and disease interaction program, known as "Retrospective Drug Review" (DUR) and estimated to save \$526,000 annually.

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- Increased enrollment by more than 800, bringing it to a record high level of approximately 20,800.
 - Established automated electronic document exchange
 - Improved server and database platform.

Enrollment data for both the Traditional CHIP (Section 7) and HIPAA-CHIP (Section 15) pools can be found in the CHIP Annual Report. The CHIP Annual Report can be viewed at www.chip.state.il.us.

f. Cost of Health Insurance

The cost of health insurance coverage has impacted everyone, including large groups, small groups and individuals. Rates for all types of health insurance, including comprehensive major medical, limited benefit health plans and long term care insurance have skyrocketed in the past few years. The rising cost of health insurance has contributed to the uninsured and underinsured population in Illinois and throughout the United States.

3. Trends

a. Rate Increases

In 2012, OCHI received over 309 calls regarding rate increases for health insurance policies. Closed complaints for 2011 totaled 215.*

The rate increases for LTC have become increasingly painful and many seniors have been forced to drop coverage due to unaffordability.

In many instances, consumers are faced with reducing their benefits on their current policy to make the premium more affordable, buying a more affordable policy with limited benefits, or dropping coverage altogether.

**Complaint statistics for 2012 will be released at a later date.*

b. External Review

Effective August 26, 2011, the Health Carrier External Review Act (215 ILCS 134) by Public Act 97-0754 was amended. The amendments expand external review to include denials for pre-existing conditions and to rescissions of health coverage in addition to medical necessity and experimental/investigational denials. The new law, in abeyance with the ACA, also requires external review requests be filed directly with the Department of Insurance, who in turn randomly assigns an Independent Review Organization (IRO) which is registered with the state, to conduct the review.

In 2012, OCHI staff responded to 484 calls on external review. Following are summary statistics of external review requests handled by the Department during 2012:

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- 1,038 external review requests closed
 - 79 adverse determinations overturned with carrier paying claim or approving requested services
 - 171 requests closed as incomplete
 - 17 federal process – information provided to consumer
 - 406 requests not eligible for external review
 - 365 reviews assigned and completed
 - o 101 overturned (28%)
 - o 12 partially overturned (3%)
 - o 252 upheld (69%)
 - 63 of completed reviews handled on an expedited basis (15.5%)

c. Underwriting in the Individual Health Market

In 2012, OCHI received 1.894 phone calls regarding individual health insurance coverage. In addition, 347 calls were received regarding underwriting. In the individual market, an insurer may continue to “underwrite” applicants, using health status as a reason for declining or limiting coverage. The Department receives complaints each year from individuals who are unable to obtain an offer of health insurance due to health status. The options for these individuals are limited, but include seeking coverage through CHIP or IPXP, finding employment that offers health coverage, purchasing a limited plan that does not offer comprehensive coverage, or going without coverage entirely.

d. PPO Plans’ Low Reimbursement for Non-Contracted Providers

PPO plans pay the optimum benefit to the insured when the insured utilizes a preferred provider. The PPO plan allows the insured flexibility to use non-participating providers; however, exercising this flexibility is increasingly very costly to consumers. Many PPOs pay for those services based upon “usual and customary” rates, a methodology that is supposed to reflect the prevailing market rate for a doctor visit or medical service in a given geographic area. Reimbursement amounts based upon usual and customary rates have not kept pace with health care inflation because the databases upon which they are based are not updated as frequently as needed.

Some plans are paying non-participating providers based upon the negotiated rate that would have been paid to a participating provider. Whether usual and customary or negotiated rates are used, both methods significantly decrease the amount paid by an insurer and increases an insured’s out-of-pocket costs because the doctor will bill the insured for the difference. In-network providers are generally prohibited from billing an insured except for applicable copayments, coinsurance or deductibles.

Another fee methodology being used by some insurance companies is payment for non-participating provider claims based on a percentage (e.g., 110%) of the Medicare published rate for the same or similar service. Because Medicare reimbursement rates are relatively low, this methodology can result in very low reimbursement of non-participating provider claims. This again leaves insureds vulnerable to unexpected and costly bills for medical services.

The Department continues to receive complaints regarding the methodologies used by PPO plans to pay non-participating providers. The plans are required by law (215 ILCS 5/356z.3) to prominently disclose in the policy that “limited” benefits are available when using non-participating providers; however, the consumer is genuinely surprised by the low payments made by these plans.

e. Discounted Health Care Plans

There are approximately 200 registered Preferred Provider Program Administrators (PPAs) and Private Label Marketers operating in the State of Illinois. These entities offer of a variety of health care service discounts, such as physician, hospital, chiropractic, vision, dental, and prescription drugs.

Many employers view discount health care plans as cost effective alternatives to offering supplemental insurance coverage to their employees. Individuals often see these types of plans as effective alternatives to purchasing costly private coverage. While the majority of discounted health care plans provide legitimate discounts, there are some which market marginal or non-existent provider networks. In such cases, consumers pay for the cost of the discount plan only to suffer additional financial loss when they are denied access to promised reductions in the cost of health care services, supplies and pharmaceuticals. Through increased local and national regulatory efforts, the Department has facilitated a decrease in the number of such discount plans.

Illinois law generally requires discount plans to be registered as a Preferred Provider Program Administrator under the Health Care Reimbursement Act (Article XX1/2 of the Insurance, 215 ILCS 5/370f), although there are some exceptions. Recently, in order to address the number of fraudulent discount plans offered to Illinois consumers, the Department revised Part 2051 of the Illinois Administrative Code (50 Il Adm. Code 2051.320) to hold registered Preferred Provider Program Administrators responsible for providing the Department with a listing of any entity that may be Private Labeling their discount plan and ensuring that those entities act in accordance with the statues and regulations set forth.

The Department encourages consumers considering this type of coverage to review the listing of registered entities on our website, <http://insurance.illinois.gov/Consumer/consumer.asp>, prior to purchasing any discount health care service program.

f. Consumer Directed Health Plans – Health Savings Accounts

The rising cost of health benefits is causing employers to search for new, lower-premium coverage options that still provide quality health benefits to employees. One such option is the Consumer Directed Health Plan (CDHP), which is a catastrophic insurance plan often combined with a health care spending account such as a Health Reimbursement Arrangement (HRA) or Health Savings Account (HSA).

The Medicare Prescription Drug Improvement and Modernization Act of 2003 (MMA) (P.L. 108-173) added Section 223 to the Internal Revenue Code, which established HSAs as an alternative benefit design. An HSA is a tax-exempt trust established exclusively to pay for qualified medical expenses of an account beneficiary covered under a high-deductible health plan. Employers and employees may contribute to an HSA account.

Money stored in the account may be used to cover permitted first-dollar expenses (e.g., preventive care) and to satisfy the high deductible associated with the catastrophic insurance plan. Any money in the account at the end of the contract year carries over to the next year and is the employee's to keep, even upon retirement. Proponents of CDHPs believe HSAs provide more flexibility and discretion to the consumer over the utilization of health care benefits.

HRA accounts resemble HSAs but there are differences. Under an HRA, an employee is prohibited from contributing to the account by Internal Revenue Service (IRS) rules; only the employer may contribute. Also, an individual with Medicare or other health coverage may enroll in a HRA account but may not enroll in a HSA account. If the individual becomes eligible for Medicare or other health coverage after enrolling in a HSA account, that individual may no longer contribute to the HSA account.

According to survey of nearly 2,000 U.S. employers conducted by Aon Hewitt, 58% of employers offered a CDHP to employees in 2011. Of those employers that offer CDHPs, HSAs outpace HRAs by two to one. However, a higher number of employees are enrolling in HRAs (43%) compared to HSAs (28%). The survey results show employers are subsidizing premiums at a higher level than other plan options, covering preventive medications before the deductible and contributing employer funds to the HSA to entice employees to enroll in CDHPs. The survey may be viewed at http://www.aon.com/human-capital-consulting/thought-leadership/healthcare/2012_Health_Care_Survey.jsp

The growth of CDHPs has brought with it growth in the underinsured population. Individuals and employees with significant financial resources sometimes prefer the financial flexibility offered by CDHPs; they pay lower premiums to the insurance company in exchange for managing and paying for health care costs prior to satisfying their high deductible. Many Illinoisans, however, enroll in CDHPs not as a result of a sophisticated financial decision but because it is either the only individual market plan they can afford or because it is the only plan sponsored by their employer. These individuals, who may lack the funds to cover the high deductible, often delay or struggle to pay for necessary medical care.

g. Cost Shifting to Employees

As the cost of employer-sponsored group health insurance continues to rise, employers continue to search for lower-cost alternatives. The Kaiser Family Foundation Employer Health Benefits Survey 2012 illustrates that the majority (99%) of employer-based health insurance is now provided through a managed care plan such as a preferred provider organization, health maintenance organization or point of service plan. These plans steer covered members to a provider network; failure to use the network can result in no coverage or limited coverage by the insurance policy.

Costs of health care coverage continue to be shifted to employees through: 1) increased percent-of-premium contribution; 2) increased deductibles and copayments; 3) copayments being calculated as a percent of charges instead of flat dollar amounts; and 4) out of network benefits based on specific definitions contained within the policy which vary tremendously from the actual cost charged to the consumer by the health care provider.

The Kaiser survey reported that in 2012, the average national annual premium for employer-sponsored health insurance increased by 3% for single coverage (to \$5,615 from \$5,249) and increased 4% for family coverage (to \$15,745 from \$15,073). The report states that the average annual worker contributions are 18% of premium for single coverage and 28% of premium for family coverage, similar to percentages of contribution for 2011.

According to the same survey, the national average deductible for single coverage was \$733 for PPO coverage, \$691 for HMO coverage, \$1,104 for Point of Service coverage and \$2,086 for high deductible health plan coverage. The percentage of covered workers in a plan with a deductible of at least \$1,000 for single coverage increased from 31% to 34% in the past year.

The Department continues to see trends of increasing copayments for services, including office visits, emergency room visits, inpatient hospital visits and prescription drugs. The increased copayments can be attributed to the higher cost of these services as well as employees being held accountable for a portion of the medical services received.



B. RECOMMENDATIONS TO IMPROVE HEALTH INSURANCE REGULATION

1. Denials of Coverage and Affordability of Coverage in the Individual Market

Illinois law does not prohibit insurance companies from using the age and health status of individuals and their families to deny or rate individual market health coverage. The health status information used to price premiums and support coverage denials is usually found by insurance companies in an individual's health insurance application and/or medical records. Current Illinois law does not prohibit insurance companies from using any past or present medical condition, no matter its severity or how long ago resolved, to support an unaffordable offer of coverage or coverage denial.

Individuals and families who receive affordable offers of individual market coverage can face unaffordable premium increases upon renewal. State law does place limited restrictions on the methods used to calculate annual premium increases, but it does not restrict the amount of increase. For example, if an insurance company wants to close an unprofitable block of business, it can annually impose dramatic, actuarially-based premium increases on remaining policyholders, causing healthy consumers to choose other products and forcing less healthy or older consumers to pay more for or drop the now unaffordable coverage. Less healthy or older consumers who lose the coverage may be denied conventional market coverage for the rest of their lives. The ACA has placed heightened scrutiny on premium rates through the implementation of both rate review and medical loss ratio disclosure and potential rebates, though it is too soon to realize the full effect of these measures.

CHIP, the high risk pool for those denied coverage by insurers, does not necessarily provide an affordable alternative.

POSSIBLE REMEDY: The ACA requires the Secretary of the U.S. Department of Health and Human Services and the States to establish a premium reporting and review process. It further requires all health insurance issuers to disclose and justify an unreasonable premium increase prior to the use of the increase. Beginning December 1, 2010, the Department began the process of accepting and reviewing new and renewal health rates. Effective November 15, 2011, the Department's rate review web page (<http://insurance.illinois.gov/hirc/rate-filings.asp>) was updated to include the most recent information and to offer consumers the opportunity to submit questions and comments.

Additional provisions of the ACA that will be effective in 2014, specifically the elimination of preexisting condition exclusions for adults, as well as availability of affordable insurance plans through an Illinois Health Insurance Exchange, should further alleviate this situation. As stated previously, the Department is pursuing development of the Exchange in Illinois with federal grant funds, and legislation establishing an Illinois Exchange is under consideration in the General Assembly.

2. Affordability of Coverage in the Small Group Market

State laws governing small group (i.e., small businesses with 2-50 employees) health coverage differ from the state laws governing individual market health coverage in two key respects. First, while individuals can be denied coverage in the individual market, state and federal law requires small group carriers to offer coverage to small businesses. Second, while state law does not regulate premiums for individual market products, it does use rate bands to restrict premium variation for small businesses.

While guarantee issue and premium variation restrictions brought some stability to the small group market, small businesses still struggle to find affordable coverage for their employees. Some small businesses simply cannot afford to provide coverage based on the available offers.

The small group health insurance market continues to shrink in Illinois. Currently, Illinois has approximately 43 insurers who are active in the small group health insurance market.

POSSIBLE REMEDY: The small business tax credits made available starting in 2010 through the ACA, and, ultimately, the availability of more affordable coverage through an Exchange in 2014, should help small businesses obtain coverage that meets their needs.

3. Unaffordable Cost of Long Term Care Insurance

The Department of Insurance reviews and files the rate increases for long term care policies. Under the long-term care regulation (50 Ill. Adm. Code 2012.110), policies issued prior to January 1, 2003 are subject to a 60.0% lifetime loss ratio standard. A loss ratio is the ratio of the claims paid to premium earned. The rule changed for policies issued after January 1, 2003, but rates are still subject to a loss ratio requirement that is stricter than the previous 60% lifetime loss ratio.

In the last 10 years most companies selling long-term care insurance have raised their rates significantly for various reasons. The premiums for long-term care insurance depend on a number of crucial assumptions, but it has become apparent that most companies used assumptions that turned out to be incorrect. The problem was that long-term care insurance was, and still is, a relatively new product, and insurers based their assumptions on the best data available at the time. The actual experience of these policies has turned out to be far different from the assumptions on which premium rates were based originally. This has resulted in the rate increases that have been perpetuating over the last 7-10 years.

Under the long term care regulation, policyholders are afforded some protections by way of offering a nonforfeiture benefit and providing for a contingent benefit. If the policyholder declines the nonforfeiture benefit, the contingent benefit must be included in the policy. If the policyholder chooses to include the nonforfeiture option in the policy, the contingent benefit remains in the policy as well. A nonforfeiture or contingent benefit is triggered and is available for a specified period of time following a substantial increase in premium rates. The contingent benefit triggers vary depending on the type of policy involved and the date of issuance. 50 Ill. Adm. Code 2012.127 provides specific information regarding threshold triggers. Once the rates for a policy reach a certain threshold, the carrier must (1) offer to reduce policy benefits to maintain the premium; and (2) offer to convert the coverage to a paid up status with a shortened benefit period.

Many of the long-term care policies on the market have reached the point where the nonforfeiture or contingent benefit must be offered. The benefit is offered for 120 days after the premium due date. While this offers limited protection, the consumer is generally left with a benefit that will not provide adequate coverage, or nowhere near the coverage they purchased, should a claim arise. Many times, the resulting benefit is equal to the amount the policyholder paid in premiums for the coverage.

The complaint most often heard from consumers is that the policyholder has paid for coverage for years and when they may need it, they can no longer afford the premiums.

POSSIBLE REMEDY: The Department of Insurance currently participates in a National Association of Insurance Commissioners (NAIC) group to evaluate this problem and make recommendations.

4. Notification of HIPAA-CHIP

Currently, when an employer terminates and does not replace its group health plan, or when COBRA or state continuation rights have been exhausted, there is usually no notice sent to the affected individual regarding HIPAA-CHIP (215 ILCS 105/15). This plan provides coverage to individuals who have lost group coverage, exhausted continuation coverage and are uninsurable on the open market due to health conditions. HIPAA-CHIP does not impose a waiting period or pre-existing condition limitation, though an Eligibility and Enrollment Form must be received by the CHIP Board Office within 90 days after the termination of coverage. The 90-day time limit is problematic for individuals who, unaware of HIPAA-CHIP, shop the individual market for coverage only to find that insurance companies deny coverage or offer only unaffordable coverage. Ninety days may have passed by the time these individuals find out about HIPAA-CHIP coverage, making them ineligible. While insurance companies are required to notify individuals about CHIP in any declination of coverage letter, this notice often arrives too late.

POSSIBLE REMEDY: Mandate that insurance companies and employers notify employees of the availability of the HIPAA-CHIP plan when an employer terminates group coverage without replacement coverage. Notice should be provided prior to exhaustion of benefits under federal COBRA or state continuation laws.

5. State Continuation Law – Anticipation of Divorce

The state spousal continuation law (215 ILCS 5/367.2) requires that continuation of group coverage be offered to the spouse of a covered employee upon legal judgment for dissolution of the marriage. In many instances, the covered employee removes the spouse from coverage prior to the legal judgment for dissolution of the marriage. This action prevents the spouse from taking advantage of the right to elect coverage under the state spousal continuation law. Federal COBRA law protects spouses under these circumstances whereas state continuation does not.

POSSIBLE REMEDY: Amend the Illinois Insurance Code to mirror federal COBRA requirements.

6. State Continuation Laws – Lack of Employer Cooperation

The state continuation laws require certain actions by employers to ensure affected individuals are provided health insurance continuation rights. For example, the state continuation law (215 ILCS 5/367e) requires employers to notify employees of health insurance state continuation rights upon termination of employment. The spousal continuation law (215 ILCS 5/367.2) requires that the spouse notify the employer or the insurance company of the request for continuation. The dependent continuation law (215 ILCS 5/367.2-5) requires the dependent or the responsible adult to notify the employer or the insurer of the request for continuation.

Often employers turn to agents or brokers for clarification of the law only to be given incorrect or incomplete information. In some instances, the employer refuses to cooperate. The Department does not possess regulatory authority over the employer and, in some instances, the insurance company refuses to assist by contacting the employer to reaffirm the employer's responsibility to offer continuation. The problem is further exacerbated when an application is made to HIPAA-CHIP and coverage is denied because the employee, spouse, or dependent did not exhaust his or her continuation rights, as required.

POSSIBLE REMEDY: Amend state continuation laws to require insurance companies to notify terminated employees of their continuation rights when the employer is not cooperative or not properly providing notification.

7. Pre-certification of Services

Calls and complaints from consumers regarding pre-certification of services followed by claim denials are steadily increasing. "Pre-certification" provisions require the consumer or health care provider to call the insurance company in advance of a service and receive a certification of coverage. Some plans provide consumers this pre-certification and then deny the claim due to lack of medical necessity, a pre-existing condition limitation, or lack of coverage under the policy. This behavior leaves the consumer liable for payment.

POSSIBLE REMEDY: Enact legislation that requires insurance companies to review the insured's benefits and individual membership file before pre-certifying benefits. In addition, insurance companies should be required to specifically advise individuals if pre-certified benefits may be limited or not be reimbursed due to: 1) a pre-existing condition limitation; 2) lack of medical necessity; 3) non-payment of premiums at time of service; 4) an exclusionary rider; and 5) benefit limitation (dollar or number of encounters).

The Department has received an increasing number of calls and complaints from consumers who call insurance companies to pre-certify services and are not advised of important benefit limitations. For example, consumers are not told that their provider is not a PPO provider and/or that the policy pays limited benefits when consumers choose non-preferred providers. For example, the plan may tell the consumer it pays 80% of non-preferred provider charges, but the plan does not disclose that the 80% benefit is based on a very low reimbursement rate (sometimes it is 80% of what a preferred provider charges the plan). The consumer believes the 80% benefit is based on billed charges or usual and customary fees.

POSSIBLE REMEDY: Require insurance companies to inform the consumer or health care provider of the preferred or non-preferred status of the provider when a consumer calls to pre-certify services. Require the insurer to verbally advise the caller of benefit limitations that must be disclosed pursuant to 215 ILCS 5/356z.2. Also, require insurance companies to explain to callers the ramifications of seeking services outside the PPO network so the caller is well informed about the financial consequences of visiting preferred and non-preferred providers.

8. Disclosure of Products Being Sold to Consumers

Consumers looking for affordable individual market major medical health insurance policies are unknowingly purchasing limited benefit policies such as a Basic Hospital/Medical-Surgical Expense or a catastrophic plan. Most consumers do not understand or carefully review the policies and information provided to them at the time of the sale, and often become confused or upset when claims are processed and they are left with a large medical bill. Consumers complain that they were misinformed or misled by the agent who sold them the product.

POSSIBLE REMEDY: Require that information be provided by the agent or insurer about OCHI at the time of the proposed sale of any individual health insurance product, including products sold through trusts or association groups. The disclosure should contain OCHI's toll-free telephone number and a statement encouraging the consumer to call OCHI with questions before or after purchasing any health insurance policy.



GOVERNMENT ACTIONS

1. Federal

a. Affordable Care Act--General

The Affordable Care Act (ACA) was passed by Congress and then signed into law by the President on March 23, 2010. On June 28, 2012 the Supreme Court rendered a final decision to uphold the health care law. <http://www.supremecourt.gov/opinions/11pdf/11-393c3a2.pdf>

Establishment of Exchanges and Qualified Health Plans: On March 27 2012, HHS issued the Patient Protection and Affordable Care Act; Establishment of Exchanges and Qualified Health Plans; Exchange Standards for Employers; Final Rule and Interim Final Rule. The Exchanges are to provide marketplaces for both individuals and small business employers. <http://www.gpo.gov/fdsys/pkg/FR-2012-03-27/pdf/2012-6125.pdf>

Summary of Benefits and Coverage: Beginning September 23, 2012 Insurers and group health plans must provide a summary of benefits and coverage document to enrollees/potential enrollees at specific times, including during enrollment and re-enrollment. The new rules also require 60-days-prior-notice to enrollees when a health plan or issuer modifies the conditions of the plan or coverage and the change impacts a previously issued SBC. Per the final rule released by the U.S. Departments of Labor, Health and Human Services, and Treasury (the Departments) on February 14, 2012, (<http://www.gpo.gov/fdsys/pkg/FR-2012-02-14/pdf/2012-3228.pdf#page=2>)

Grants Under ACA:

Consumer Assistance Program Grant (CAP):

The Consumer Assistance Program Grants (CAP Grants), awarded by federal Health and Human Services, provide resources to the states necessary to help educate and provide accurate information to consumers who are making difficult health care decisions. Illinois received a grant award in the amount of \$1,141,954.00. The activities funded over the next year include: (1) Developing a streamline and user-friendly consumer portal for health insurance related issues; (2) Developing an inquiry system to track the types of inquiries and phone calls handled by the Office of Consumer Health Insurance; (3) Developing an on-line message center that allows consumers to securely send an inquiry, complaint or external review request on-line and to check the status of the request on-line as well; (4) Training of consumer services staff on issues related to the federal Affordable Care Act; (5) Procurement of a new phone system and software; (6) Enhancement of the current complaint system to implement more efficient and updated techniques; (6) Consumer outreach to educate the public about the Affordable Care Act.

Health Care Exchanges:

The ACA authorized State Planning and Establishment Grants to help states establish health insurance Exchanges. Illinois received a grant award in the amount of \$5,128,000 to develop and maintain an Illinois-based Exchange. The activities funded over the next year include: (1) Complete the State's efforts to conduct comprehensive background research on the current health insurance coverage marketplace, projections for the future of health insurance coverage, and the impact of establishing a health insurance marketplace in Illinois; (2) Design the information infrastructure required by businesses and consumers of the Exchange; (3) Hire the necessary staff to plan and coordinate with consultants to create the initial design features of an Exchange, and (4) Educate the public on an Illinois Exchange and engage stakeholders in the design of Exchange operations.

Under the leadership of the IT Project Manager, the Department began developing an RFP for Exchange IT systems (HIXX IT RFP) in March 2012. The DOI Exchange team solicited the assistance of additional IT and policy staff from DOI, HFS, and the Office of Health Information Technology (OHIT). Staff divided into policy and technical teams to develop drafts of an RFP, which were submitted to legal staff and leadership within DOI, HFS, OHIT, and the Governor's office. The RFP was submitted to state procurement officials in June 2012, and released on July 20, 2012.

DOI contracted with Health Management Associates to provide analysis of state options for a Navigator program, including an explanation of the Notice of Proposed Rule Making (NPRM) and Final Rule, potential integration with current state programs, a proposal for the structure of the Navigator program, funding and compensation options for the program, and an operational plan for the program. The final report was released on July 6, 2012, and was available for public comment on the state's health reform website (www2.illinois.gov/gov/healthcarereform/) until July 27, 2012. During this period, the State received 49 separate comment submissions from a wide variety of stakeholders.

2. State - Public Acts

(Full text of the Public Acts may be viewed at www.ilga.gov.)

a. P.A. 097-0972 Autism

P.A. 097-0972 provides that if an individual has been diagnosed as having an autism spectrum disorder, meeting the diagnosis criteria in place at the time of the diagnosis, and treatment is determined medically necessary, then that individual shall remain eligible for coverage under the provision concerning autism spectrum disorders even if subsequent changes to the diagnostic criteria are adopted by the American Psychiatric Association (instead of just if subsequent

changes to the diagnostic criteria are adopted). Further amends the Illinois Insurance Code to include in the list of provisions that do not apply to short-term travel, disability income, long-term care, accident only, or limited or specified disease policies the provision concerning autism spectrum disorder. Effective date January 1, 2013.

b. P.A. 097-0715 Health Care Cooperatives

P.A. 097-0207 restores a section previously removed which requires an insurance producer, limited insurance representative or temporary insurance producer to identify themselves with their name and license number on an individual or group life and health application and to sign the application. The law was effective July 28, 2011.

c. P.A. 097-0805 Non-covered Dental Services

P.A. 0970-0805 changes the definition of “dental insurance” and deletes the definition of “usual and customary fee”. Provides that no insurer may issue a service provider contract that requires a dentist to provide services to the insurer’s policyholders at a fee set by the insurer unless the services are covered services under the applicable policyholder agreement. Deletes a provision concerning the adoption of rules to enforce compliance with the provision concerning non-covered dental services. Effective date January 1, 2013.

d. P.A. 097-0705 Exemption of Religious Organizations From Insurance Code

P.A. 097-0705 amends 215 ILCS 5/4(b) to exempt religious organizations and their members who share expenses for medical costs if certain criteria are met, including written notice to members disclosing that (1) the organization is not an insurance company; (2) the organization is not compelled by law to contribute to medical bills; and (3) the member is always personally responsible for the payment of his or her own medical bills. Effective January 1, 2013.

3. Other State Actions - Department Regulations

a. 50 Illinois Administrative Code 2403 Mandatory Accident and Health Expense Reporting

50 Ill. Adm. Code 2403 Section 359c of the Illinois Insurance Code requires insurance carriers to provide semi-annual reports to the Department detailing premiums and expenses for the carriers' accident and health insurance business. The rule provides instructions for carriers to report the required information, including a data table with definitions of terms. (Adopted at 36 Ill. Reg. 18734, effective December 17, 2012.)

4. Other State Actions – Company Bulletins

a. Company Bulletin #2-12-05 (Issued August 30, 2012)

Company Bulletin 2012-05 requires all carriers writing policies or contracts subject the Affordable Care Act to include coverage for the following services without cost sharing in addition to those previously required under the auspices of Preventive Health Care for Women:

- Well-woman visits;
- Screening for gestational diabetes;
- Testing for human papillomavirus;
- Counseling for sexually transmitted infections;
- Counseling and screening for human immune-deficiency virus;
- Contraceptive methods and counseling;
- Breastfeeding support, supplies, and counseling; and
- Screening and counseling for interpersonal and domestic violence.

Exhibits

1 – OCHI Calls By ZIP Code [from 1/1/2012 to 12/31/2012]

(Exhibit 1-1)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
61410	Abingdon	4	60101	Addison	30
61230	Albany	1	62215	Albers	2
62806	Albion	1	60001	Alden	10
61231	Aledo	5	62601	Alexander	5
60102	Algonquin	28	62001	Alhambra	4
61810	Allerton	1	61413	Alpha	2
60803	Alsip	13	62411	Altamont	9
62002	Alton	47	61310	Amboy	3
60666	Amf Ohare	3	61311	Ancona	1
62906	Anna	10	62413	Annapolis	1
60002	Antioch	35	61001	Apple River	2
61910	Arcola	1	62611	Arenzville	4
62501	Argenta	1	60004	Arlington Heights	67
60005	Arlington Heights	41	60006	Arlington Heights	1
60910	Aroma Park	1	61722	Arrowsmith	1
61911	Arthur	1	62612	Ashland	2
61912	Ashmore	3	62510	Assumption	6
61501	Astoria	2	62613	Athens	3
61235	Atkinson	2	61913	Atwood	1
62615	Auburn	9	60502	Aurora	19
60503	Aurora	8	60504	Aurora	39
60505	Aurora	23	60506	Aurora	49
60507	Aurora	3	60568	Aurora	1
60572	Aurora	1	62907	Ava	2
62216	Aviston	4	61415	Avon	1
62217	Baldwin	6	60010	Barrington	61
60011	Barrington	29	61236	Barstow	1
62218	Bartelso	1	60103	Bartlett	40
60510	Batavia	27	62617	Bath	2
62618	Beardstown	3	60912	Beaverville	1
60401	Beecher	9	62414	Beecher City	1
62810	Belle Rive	1	62220	Belleville	33
62221	Belleville	31	62222	Belleville	12
62223	Belleville	36	62226	Belleville	37
61724	Bellflower	2	62811	Bellmont	1
60104	Bellwood	17	61008	Belvidere	24
61813	Bement	1	60106	Bensenville	11
61516	Benson	1	62812	Benton	6
60163	Berkeley	1	60402	Berwyn	48
62010	Bethalto	13	60511	Big Rock	3
62011	Bingham	1	61814	Bismarck	2

1 – OCHI Calls By ZIP Code

(Exhibit 1-2)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
61420	Blandinsville	2	60108	Bloomington	22
61701	Bloomington	32	61702	Bloomington	2
61704	Bloomington	35	61705	Bloomington	5
60406	Blue Island	17	62622	Bluff Springs	3
62621	Bluffs	2	62814	Bluford	1
62909	Boles	1	60440	Bolingbrook	55
60490	Bolingbrook	24	62816	Bonnie	1
60914	Bourbonnais	19	62316	Bowen	1
60407	Braceville	1	61421	Bradford	1
60915	Bradley	16	60408	Braidwood	7
62230	Breese	3	62417	Bridgeport	1
60455	Bridgeview	13	62012	Brighton	4
61517	Brimfield	6	61816	Broadlands	1
60155	Broadview	13	60513	Brookfield	18
62910	Brookport	3	62418	Brownstown	2
62013	Brussels	1	60918	Buckley	1
61314	Buda	1	62515	Buffalo	2
60089	Buffalo Grove	61	62014	Bunker Hill	2
60459	Burbank	12	60109	Burlington	2
60527	Burr Ridge	34	61422	Bushnell	2
62015	Butler	4	61010	Byron	10
60919	Cabery	2	62914	Cairo	1
61011	Caledonia	2	60409	Calumet City	34
61919	Camargo	1	62915	Cambria	2
61238	Cambridge	1	62319	Camden	1
62320	Camp Point	2	62916	Campbell Hill	2
61520	Canton	13	62625	Cantrall	1
61239	Carbon Cliff	1	62901	Carbondale	30
62902	Carbondale	1	62903	Carbondale	3
62626	Carlinville	12	61725	Carlock	1
62231	Carlyle	8	62821	Carmi	9
60125	Carol Stream	4	60128	Carol Stream	2
60132	Carol Stream	1	60188	Carol Stream	46
60197	Carol Stream	3	60199	Carol Stream	1
60110	Carpentersville	31	62016	Carrollton	10
62918	Cartersville	16	62321	Carthage	4
60013	Cary	29	62420	Casey	4
62232	Caseyville	5	61013	Cedarville	2
62801	Centralia	21	61818	Cerro Gordo	1
61014	Chadwick	1	62323	Chambersburg	1
61820	Champaign	23	61821	Champaign	26
61822	Champaign	21	61826	Champaign	1
62627	Chandlerville	2	60410	Channahon	17
62628	Chapin	1	61920	Charleston	14

1 – OCHI Calls By ZIP Code

(Exhibit 1-3)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
62629	Chatham	10	60921	Chatsworth	1
60922	Chebanse	2	61726	Chenoa	1
61016	Cherry Valley	6	62233	Chester	7
62630	Chesterfield	3	62518	Chestnut	1
60601	Chicago	219	60602	Chicago	67
60603	Chicago	31	60604	Chicago	17
60605	Chicago	35	60606	Chicago	169
60607	Chicago	38	60608	Chicago	43
60609	Chicago	30	60610	Chicago	55
60611	Chicago	87	60612	Chicago	31
60613	Chicago	51	60614	Chicago	68
60615	Chicago	56	60616	Chicago	32
60617	Chicago	48	60618	Chicago	64
60619	Chicago	72	60620	Chicago	67
60621	Chicago	19	60622	Chicago	39
60623	Chicago	18	60624	Chicago	18
60625	Chicago	50	60626	Chicago	60
60628	Chicago	43	60629	Chicago	47
60630	Chicago	54	60631	Chicago	22
60632	Chicago	21	60633	Chicago	9
60634	Chicago	54	60636	Chicago	17
60637	Chicago	40	60638	Chicago	38
60639	Chicago	27	60640	Chicago	63
60641	Chicago	24	60643	Chicago	57
60644	Chicago	29	60645	Chicago	40
60646	Chicago	22	60647	Chicago	47
60649	Chicago	36	60651	Chicago	34
60652	Chicago	29	60653	Chicago	23
60654	Chicago	42	60655	Chicago	29
60656	Chicago	26	60657	Chicago	73
60658	Chicago	1	60659	Chicago	34
60660	Chicago	58	60661	Chicago	25
60663	Chicago	2	60664	Chicago	3
60668	Chicago	2	60677	Chicago	1
60680	Chicago	3	60681	Chicago	2
60682	Chicago	2	60685	Chicago	1
60688	Chicago	1	60689	Chicago	1
60690	Chicago	1	60691	Chicago	2
60693	Chicago	1	60699	Chicago	1
60701	Chicago	1	60411	Chicago Heights	44
60412	Chicago Heights	2	60415	Chicago Ridge	9
61523	Chillicothe	11	62822	Christopher	3
60804	Cicero	23	61830	Cisco	3
62823	Cisne	3	60924	Cissna Park	3

1 – OCHI Calls By ZIP Code

(Exhibit 1-4)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
62421	Claremont	1	60514	Clarendon Hills	3
62824	Clay City	2	62324	Clayton	2
62421	Claremont	1	60514	Clarendon Hills	3
62824	Clay City	2	62324	Clayton	2
61727	Clinton	9	60416	Coal City	4
61240	Coal Valley	4	62920	Cobden	2
62825	Coello	1	62017	Coffeen	2
62326	Colchester	1	61017	Coleta	1
62234	Collinsville	25	61241	Colona	4
62921	Colp	2	62236	Columbia	11
61318	Compton	1	61729	Congerville	1
61242	Cordova	2	61319	Cornell	2
60112	Cortland	7	62018	Cottage Hills	5
62237	Coulterville	6	60478	Country Club Hills	24
62422	Cowden	2	62922	Creal Springs	4
60928	Crescent City	1	60403	Crest Hill	17
60113	Creston	2	60417	Crete	18
61610	Creve Coeur	5	62827	Crossville	1
60012	Crystal Lake	45	60014	Crystal Lake	55
61427	Cuba	2	62238	Cutler	1
61428	Dahinda	5	61018	Dakota	2
62330	Dallas City	2	61925	Dalton City	4
60930	Danforth	1	61732	Danvers	2
61832	Danville	29	61834	Danville	6
60561	Darien	25	61019	Davis	2
61020	Davis Junction	4	62520	Dawson	4
60115	De Kalb	27	61839	De Land	1
62924	De Soto	2	62521	Decatur	54
62522	Decatur	16	62523	Decatur	1
62525	Decatur	3	62526	Decatur	38
61733	Deer Creek	1	60015	Deerfield	64
61734	Delavan	2	62423	Dennison	2
61322	Depue	1	60016	Des Plaines	75
60017	Des Plaines	2	60018	Des Plaines	36
61840	Dewey	1	61735	Dewitt	1
62424	Dieterich	3	62530	Divernon	3
62830	Dix	2	61021	Dixon	21
60419	Dolton	16	62926	Dongola	1
62019	Donnellson	1	62021	Dorsey	4
62022	Dow	3	62927	Dowell	3
60515	Downers Grove	33	60516	Downers Grove	28
61736	Downs	1	62831	Du Bois	1
62832	Du Quoin	11	60118	Dundee	21
61525	Dunlap	6	62239	Dupo	3

1 – OCHI Calls By ZIP Code

(Exhibit 1-5)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
61024	Durand	2	60420	Dwight	8
60518	Earlville	2	62024	East Alton	7
62240	East Carondelet	2	61025	East Dubuque	4
61430	East Galesburg	2	61244	East Moline	22
61611	East Peoria	16	62201	East Saint Louis	8
62202	East Saint Louis	2	62203	East Saint Louis	10
62204	East Saint Louis	4	62205	East Saint Louis	13
62206	East Saint Louis	11	62207	East Saint Louis	12
62633	Easton	2	61526	Edelstein	2
62426	Edgewood	2	62531	Edinburg	2
62025	Edwardsville	36	62026	Edwardsville	1
62401	Effingham	27	61738	El Paso	6
60119	Elburn	18	61324	Eldena	1
62930	Eldorado	4	62027	Eldred	1
60120	Elgin	38	60121	Elgin	5
60123	Elgin	40	60124	Elgin	15
61028	Elizabeth	2	62931	Elizabethtown	3
60007	Elk Grove Village	53	60009	Elk Grove Village	11
62833	Ellery	1	60126	Elmhurst	60
61529	Elmwood	5	60707	Elmwood Park	31
62334	Elvaston	3	60421	Elwood	2
62635	Emden	2	61250	Erie	5
60129	Esmond	1	61530	Eureka	3
60201	Evanston	36	60202	Evanston	39
60203	Evanston	7	60208	Evanston	2
60209	Evanston	1	60805	Evergreen Park	16
61739	Fairbury	2	62837	Fairfield	8
61432	Fairview	1	62208	Fairview Heights	23
61842	Farmer City	1	62533	Farmersville	3
61531	Farmington	2	62031	Fieldon	1
62032	Fillmore	1	62534	Findlay	1
61844	Fithian	1	61740	Flanagan	1
62427	Flat Rock	1	62839	Flora	5
60422	Flossmoor	13	60130	Forest Park	19
61030	Forreston	1	62535	Forsyth	3
62338	Fowler	2	60020	Fox Lake	12
60021	Fox River Grove	3	60423	Frankfort	43
62638	Franklin	1	61031	Franklin Grove	1
60131	Franklin Park	18	62639	Frederick	2
62243	Freeburg	5	61032	Freeport	28
61252	Fulton	6	61036	Galena	7
61401	Galesburg	27	61402	Galesburg	1
61037	Galt	1	61434	Galva	3
61038	Garden Prairie	1	60424	Gardner	1

1 – OCHI Calls By ZIP Code

(Exhibit 1-6)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
61928	Gays	1	62842	Geff	1
61254	Geneseo	7	60134	Geneva	32
60135	Genoa	12	61846	Georgetown	6
61039	German Valley	3	62245	Germantown	5
60936	Gibson City	3	61847	Gifford	1
60136	Gilberts	7	62033	Gillespie	12
60938	Gilman	2	62640	Girard	4
61533	Glasford	2	62034	Glen Carbon	12
60137	Glen Ellyn	37	60022	Glencoe	25
60139	Glendale Heights	22	60025	Glenview	44
60026	Glenview Nas	25	60425	Glenwood	5
62035	Godfrey	16	62938	Golconda	3
62339	Golden	3	61438	Good Hope	1
61742	Goodfield	3	62939	Goreville	2
62940	Gorham	1	62037	Grafton	2
62941	Grand Chain	1	61325	Grand Ridge	2
62040	Granite City	60	60940	Grant Park	4
62943	Grantsburg	1	61326	Granville	2
61743	Graymont	1	60030	Grayslake	40
62844	Grayville	3	60088	Great Lakes	3
61534	Green Valley	3	62044	Greenfield	2
62428	Greenup	2	62642	Greenview	1
62246	Greenville	9	61744	Gridley	2
62340	Griggsville	1	61535	Groveland	1
60031	Gurnee	44	62247	Hagarstown	2
62045	Hamburg	2	62046	Hamel	1
62341	Hamilton	5	61929	Hammond	1
60140	Hampshire	13	61256	Hampton	2
61536	Hanna City	2	61041	Hanover	1
60133	Hanover Park	26	62047	Hardin	3
61042	Harmon	1	62946	Harrisburg	27
62048	Hartford	1	60033	Harvard	9
62538	Harvel	3	60426	Harvey	23
62644	Havana	3	60429	Hazel Crest	16
60034	Hebron	1	61537	Henry	1
62431	Herrick	1	62948	Herrin	10
60941	Herscher	2	61745	Heyworth	5
60457	Hickory Hills	12	62249	Highland	7
60035	Highland Park	58	60040	Highwood	6
62049	Hillsboro	10	60162	Hillside	8
62050	Hillview	2	60520	Hinckley	3
61930	Hindsboro	1	60141	Hines	2
60521	Hinsdale	21	60169	Hoffman Estates	43
60491	Homer Glen	19	60456	Hometown	8

1 – OCHI Calls By ZIP Code

(Exhibit 1-7)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
60430	Homewood	24	61258	Hooppole	1
60944	Hopkins Park	1	62803	Hoyleton	2
61748	Hudson	1	62343	Hull	1
60142	Huntley	39	62344	Huntsville	3
62433	Hutsonville	2	61259	Illinois City	1
62539	Illioopolis	2	99999	<i>In Illinois</i>	6336
62846	Ina	1	61440	Industry	2
60041	Ingleside	18	61441	Ipava	2
62051	Irving	2	60042	Island Lake	9
60143	Itasca	8	62849	Iuka	4
62650	Jacksonville	19	62651	Jacksonville	1
62950	Jacob	2	62052	Jerseyville	12
62850	Johnsonville	1	62951	Johnston City	4
60431	Joliet	20	60432	Joliet	17
60433	Joliet	15	60434	Joliet	2
60435	Joliet	49	60436	Joliet	15
62952	Jonesboro	3	60458	Justice	11
62053	Kampsville	2	60901	Kankakee	35
62852	Keensburg	1	60043	Kenilworth	3
61749	Kenney	1	61443	Kewanee	5
62655	Kilbourne	1	62540	Kincaid	1
60145	Kingston	4	62854	Kinmundy	3
60437	Kinsman	1	60146	Kirkland	6
61448	Knoxville	1	61449	La Fayette	1
60525	La Grange	27	60526	La Grange Park	19
61450	La Harpe	1	61330	La Moille	3
61301	La Salle	10	61540	Lacon	1
61329	Ladd	3	60147	Lafox	3
60044	Lake Bluff	12	60045	Lake Forest	18
60156	Lake in the Hills	30	60046	Lake Villa	36
60047	Lake Zurich	38	60438	Lansing	23
61751	Lawndale	1	62439	Lawrenceville	9
61752	Le Roy	1	61047	Leaf River	1
62254	Lebanon	5	60530	Lee	1
60531	Leland	6	60439	Lemont	27
61048	Lena	3	62255	Lenzburg	2
61542	Lewistown	6	61753	Lexington	2
62347	Liberty	2	60048	Libertyville	36
62656	Lincoln	18	60069	Lincolnshire	12
60712	Lincolnwood	19	60532	Lisle	28
62056	Litchfield	5	61453	Little York	2
62058	Livingston	2	62661	Loami	5
60441	Lockport	31	61454	Lomax	1
60148	Lombard	44	60049	Long Grove	2

1 – OCHI Calls By ZIP Code

(Exhibit 1-8)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
61333	Long Point	1	62858	Louisville	2
62059	Lovejoy	2	61111	Loves Park	29
61937	Lovington	4	62662	Lowder	1
61262	Lynn Center	1	60534	Lyons	12
61115	Machesney Park	21	61755	Mackinaw	6
61455	Macomb	18	62544	Macon	5
62060	Madison	1	62256	Maeystown	1
61336	Magnolia	1	61853	Mahomet	14
62958	Makanda	5	61337	Malden	1
60150	Malta	4	62663	Manchester	1
60442	Manhattan	9	61546	Manito	4
60950	Manteno	13	60151	Maple Park	3
61547	Mapleton	3	61458	Maquon	1
60152	Marengo	9	62061	Marine	2
62959	Marion	31	62257	Marissa	3
61340	Mark	1	60428	Markham	9
61756	Maroa	1	61341	Marseilles	5
62441	Marshall	6	62442	Martinsville	3
62062	Maryville	11	62224	Mascoutah	1
62258	Mascoutah	8	62664	Mason City	5
60443	Matteson	22	61938	Mattoon	30
60153	Maywood	21	60444	Mazon	2
60050	Mc Henry	35	60051	Mc Henry	32
61754	Mc Lean	1	62859	Mc Leansboro	7
61335	Mc Nabb	1	60157	Medinah	2
62063	Medora	1	60160	Melrose Park	10
60161	Melrose Park	2	60164	Melrose Park	23
62351	Mendon	2	61342	Mendota	2
61548	Metamora	15	61940	Metcalf	1
62960	Metropolis	5	62666	Middletown	1
60445	Midlothian	26	61264	Milan	12
60953	Milford	2	60536	Millbrook	4
62260	Millstadt	9	62352	Milton	1
61760	Minonk	2	60447	Minooka	13
62667	Modesto	1	60448	Mokena	14
61265	Moline	46	60954	Momence	4
60449	Monee	6	61462	Monmouth	8
60538	Montgomery	16	61856	Monticello	4
62445	Montrose	1	62067	Moro	4
60450	Morris	22	61270	Morrison	10
61550	Morton	18	60053	Morton Grove	35
62964	Mounds	1	62547	Mount Auburn	1
62863	Mount Carmel	8	62446	Mount Erie	1
61054	Mount Morris	2	62069	Mount Olive	2

1 – OCHI Calls By ZIP Code

(Exhibit 1-9)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
60056	Mount Prospect	72	62548	Mount Pulaski	2
62353	Mount Sterling	3	62864	Mount Vernon	31
62550	Moweaqua	4	62070	Mozier	1
62549	Mt Zion	8	62262	Mulberry Grove	1
62865	Mulkeytown	1	60060	Mundelein	48
62966	Murphysboro	20	60540	Naperville	64
60563	Naperville	53	60564	Naperville	40
60565	Naperville	44	60566	Naperville	2
60567	Naperville	4	62263	Nashville	8
62354	Nauvoo	1	62447	Neoga	3
62264	New Athens	2	62265	New Baden	3
62670	New Berlin	6	61272	New Boston	1
62356	New Canton	1	62074	New Douglas	4
60451	New Lenox	32	62266	New Memphis	1
61465	New Windsor	2	60541	Newark	2
62448	Newton	6	62551	Niantic	1
60714	Niles	29	62358	Niota	2
62868	Noble	2	62075	Nokomis	3
61761	Normal	33	61790	Normal	2
62869	Norris City	2	60542	North Aurora	22
60064	North Chicago	11	60062	Northbrook	71
60065	Northbrook	1	62269	O'Fallon	19
60523	Oak Brook	31	60452	Oak Forest	20
60453	Oak Lawn	50	60454	Oak Lawn	2
60301	Oak Park	7	60302	Oak Park	27
60303	Oak Park	2	60304	Oak Park	26
62268	Oakdale	3	62673	Oakford	2
61943	Oakland	2	62552	Oakley	1
61858	Oakwood	1	60460	Odell	1
61348	Oglesby	5	61349	Ohio	4
62076	Ohlman	1	62271	Okawville	3
62450	Olney	8	60461	Olympia Fields	5
60955	Onarga	2	61468	Ophiem	1
61469	Oquawka	4	61060	Orangeville	1
62554	Oreana	1	61061	Oregon	6
61273	Orion	2	60462	Orland Park	53
60467	Orland Park	37	60543	Oswego	26
61350	Ottawa	19	88888	<i>Out of Illinois</i>	4485
62972	Ozark	2	60067	Palatine	41
60074	Palatine	34	60094	Palatine	3
62451	Palestine	2	62674	Palmyra	3
60463	Palos Heights	20	60465	Palos Hills	15
60464	Palos Park	9	62557	Pana	21
61944	Paris	10	60466	Park Forest	25

1 – OCHI Calls By ZIP Code

(Exhibit 1-10)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
60068	Park Ridge	67	62452	Parkersburg	1
62875	Patoka	3	61353	Paw Paw	2
62558	Pawnee	5	60957	Paxton	1
62360	Payson	2	62361	Pearl	1
61063	Pecatonica	1	61554	Pekin	33
61555	Pekin	1	61558	Pekin	4
77777	<i>Pending Complaints</i>	1	55555	<i>Pending HMO Complaints</i>	5
61862	Penfield	1	61601	Peoria	1
61602	Peoria	6	61603	Peoria	18
61604	Peoria	24	61605	Peoria	9
61606	Peoria	5	61607	Peoria	11
61612	Peoria	1	61614	Peoria	29
61615	Peoria	23	61639	Peoria	2
61652	Peoria	1	61656	Peoria	1
61616	Peoria Heights	5	60468	Peotone	9
62272	Percy	2	62362	Perry	2
61354	Peru	16	61863	Pesotum	1
62659	Petersburg	1	62675	Petersburg	7
61864	Philo	1	62079	Piasa	2
62273	Pierron	1	62274	Pinckneyville	4
60959	Piper City	1	62974	Pittsburg	2
62363	Pittsfield	8	60544	Plainfield	29
60585	Plainfield	23	60586	Plainfield	36
60545	Plano	10	62677	Pleasant Plains	4
62275	Pocahontas	6	61064	Polo	3
61764	Pontiac	10	61065	Poplar Grove	15
61275	Port Byron	4	60469	Posen	3
61470	Prairie City	1	62277	Prairie Du Rocher	4
61356	Princeton	11	61559	Princeville	4
61277	Prophetstown	4	60070	Prospect Heights	10
62976	Pulaski	2	62301	Quincy	27
62305	Quincy	15	62306	Quincy	2
62876	Radom	1	62977	Raleigh	1
62080	Ramsey	4	60470	Ransom	1
61866	Rantoul	7	62560	Raymond	1
62278	Red Bud	4	60961	Reddick	1
62279	Renault	1	61279	Reynolds	1
60071	Richmond	3	60471	Richton Park	8
62877	Richview	1	61067	Ridott	3
60072	Ringwood	1	60305	River Forest	15
60171	River Grove	6	60627	Riverdale	4
60827	Riverdale	22	60546	Riverside	16
62561	Riverton	6	61561	Roanoke	2
60472	Robbins	2	62454	Robinson	9

1 – OCHI Calls By ZIP Code

(Exhibit 1-11)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
61068	Rochelle	16	62563	Rochester	11
61070	Rock City	1	61071	Rock Falls	7
61201	Rock Island	29	61204	Rock Island	2
61101	Rockford	24	61102	Rockford	12
61103	Rockford	27	61104	Rockford	11
61105	Rockford	1	61106	Rockford	1
61107	Rockford	53	61108	Rockford	34
61109	Rockford	30	61110	Rockford	3
61112	Rockford	1	61114	Rockford	8
61132	Rockford	3	61072	Rockton	11
60008	Rolling Meadows	28	60446	Romeoville	27
62082	Roodhouse	1	61073	Roscoe	15
60172	Roselle	29	60706	Rosemont	32
62982	Rosiclare	1	60963	Rossville	1
60073	Round Lake	33	62681	Rushville	8
60075	Russell	1	61358	Rutland	1
61872	Sadorus	2	60964	Saint Anne	2
60174	Saint Charles	35	60175	Saint Charles	18
61563	Saint David	1	62458	Saint Elmo	1
62460	Saint Francisville	1	62281	Saint Jacob	2
61873	Saint Joseph	1	62282	Saint Libory	1
62880	Saint Peter	1	62881	Salem	16
62682	San Jose	1	60548	Sandwich	14
61074	Savanna	3	61874	Savoy	9
62085	Sawyerville	1	61770	Saybrook	1
60159	Schaumburg	1	60173	Schaumburg	40
60192	Schaumburg	12	60193	Schaumburg	51
60194	Schaumburg	17	60195	Schaumburg	11
60196	Schaumburg	2	60176	Schiller Park	7
62225	Scott Air Force Base	6	61771	Secor	2
61360	Seneca	1	60549	Serena	1
62884	Sesser	2	60550	Shabbona	1
61078	Shannon	1	62984	Shawneetown	1
61361	Sheffield	1	62565	Shelbyville	4
60551	Sheridan	7	62684	Sherman	5
61281	Sherrard	2	62685	Shipman	1
60404	Shorewood	15	62461	Shumway	1
61876	Sidell	1	61877	Sidney	1
61282	Silvis	8	62985	Simpson	1
60076	Skokie	47	60077	Skokie	43
62284	Smithboro	1	62285	Smithton	3
60552	Somonauk	5	62086	Sorento	1
61080	South Beloit	8	60177	South Elgin	17
60473	South Holland	17	61564	South Pekin	1

1 – OCHI Calls By ZIP Code

(Exhibit 1-12)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
61565	Sparland	2	62286	Sparta	8
60081	Spring Grove	11	61362	Spring Valley	4
62701	Springfield	22	62702	Springfield	168
62703	Springfield	66	62704	Springfield	167
62705	Springfield	5	62706	Springfield	5
62707	Springfield	6	62708	Springfield	1
62711	Springfield	20	62712	Springfield	12
62716	Springfield	1	62721	Springfield	2
62726	Springfield	2	62736	Springfield	1
62746	Springfield	1	62761	Springfield	2
62763	Springfield	1	62767	Springfield	10
62794	Springfield	2	61363	Standard	1
61774	Stanford	1	62088	Staunton	11
62288	Steeleville	2	60475	Steger	14
61081	Sterling	20	62463	Stewardson	1
61084	Stillman Valley	1	60165	Stone Park	2
62465	Strasburg	2	60107	Streamwood	32
61364	Streator	24	61480	Stronghurst	1
61367	Sublette	1	60554	Sugar Grove	12
61951	Sullivan	2	60501	Summit Argo	6
62466	Sumner	2	60178	Sycamore	27
62688	Tallula	1	62888	Tamaroa	3
62988	Tamms	4	61283	Tampico	1
62568	Taylorville	20	62374	Tennessee	1
62467	Teutopolis	2	62990	Thebes	1
61878	Thomasboro	2	62890	Thompsonville	4
60476	Thornton	2	61833	Tilton	3
60477	Tinley Park	50	60483	Tinley Park	5
60487	Tinley Park	17	62468	Toledo	2
61880	Tolono	2	61370	Tonica	1
61567	Topeka	2	61483	Toulon	4
62570	Tovey	1	61776	Towanda	2
62571	Tower Hill	3	61568	Tremont	8
62293	Trenton	2	62469	Trilla	1
62294	Troy	6	62991	Tunnel Hill	2
61953	Tuscola	4	62992	Ullin	3
60180	Union	2	60969	Union Hill	1
61801	Urbana	22	61802	Urbana	14
61803	Urbana	2	61373	Utica	4
62295	Valmeyer	3	62471	Vandalia	7
62994	Vergennes	3	62892	Vernon	1
60061	Vernon Hills	34	60479	Verona	1
62995	Vienna	4	61956	Villa Grove	2
60181	Villa Park	29	62996	Villa Ridge	1

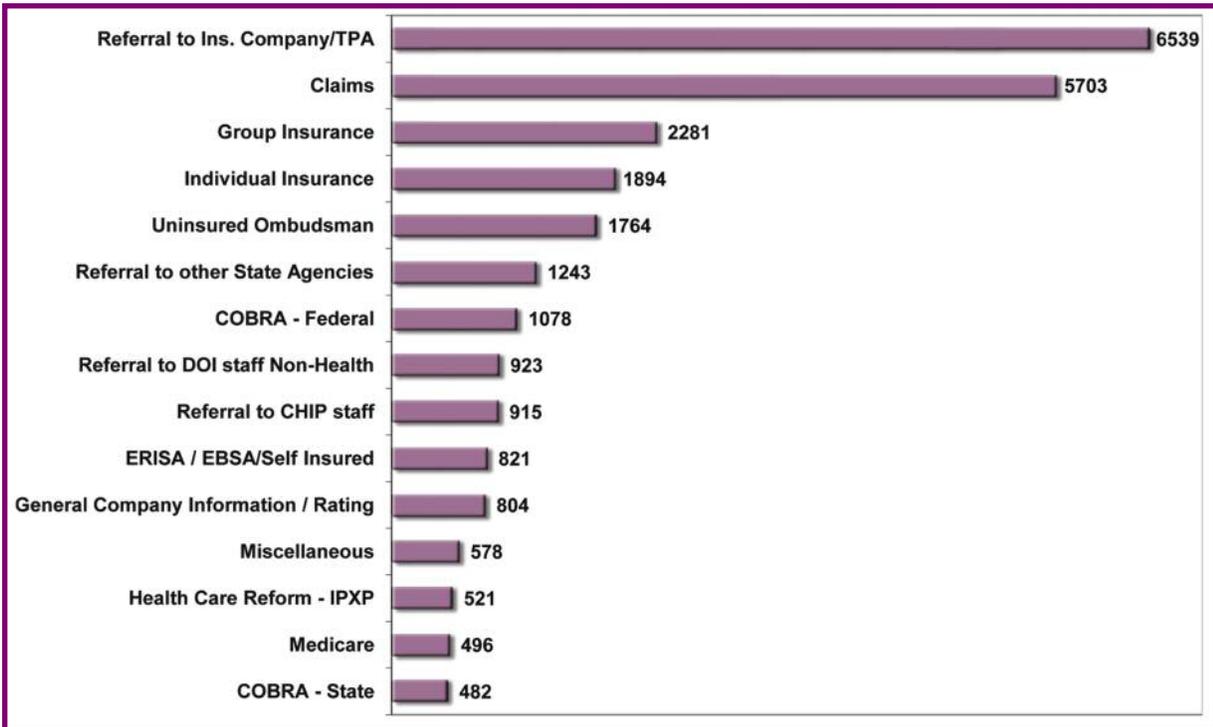
1 – OCHI Calls By ZIP Code

(Exhibit 1-13)

Zip Code	Post Office Name	Number of Calls	Zip Code	Post Office Name	Number of Calls
61486	Viola	1	62690	Virден	5
62691	Virginia	8	60083	Wadsworth	4
62572	Waggoner	2	61376	Walnut	1
62297	Walsh	1	62091	Walshville	3
61087	Warren	1	62573	Warrensburg	4
60555	Warrenville	20	62379	Warsaw	1
61570	Washburn	1	61571	Washington	23
62298	Waterloo	21	60556	Waterman	3
60970	Watseka	5	60084	Wauconda	18
60079	Waukegan	2	60085	Waukegan	32
60087	Waukegan	20	62692	Waverly	4
60184	Wayne	2	62895	Wayne City	3
61778	Waynesville	1	61378	West Brooklyn	1
60185	West Chicago	29	60186	West Chicago	3
62896	West Frankfort	17	62476	West Salem	2
62477	West Union	1	60154	Westchester	36
60558	Western Springs	5	62474	Westfield	1
60559	Westmont	24	61883	Westville	3
60187	Wheaton	40	60189	Wheaton	32
60090	Wheeling	37	62092	White Hall	1
62693	Williamsville	3	60480	Willow Springs	6
60091	Wilmette	33	60481	Wilmington	9
62093	Wilsonville	1	62694	Winchester	5
61957	Windsor	2	60190	Winfield	8
61088	Winnebago	2	60093	Winnetka	21
61089	Winslow	1	60096	Winthrop Harbor	2
62094	Witt	1	60097	Wonder Lake	10
60191	Wood Dale	12	60399	Wood Dale	3
62095	Wood River	12	62898	Woodlawn	2
60517	Woodridge	22	62695	Woodson	1
60098	Woodstock	26	62097	Worden	3
60482	Worth	2	62098	Wrights	3
61379	Wyanet	1	62899	Xenia	2
60560	Yorkville	17	60099	Zion	26

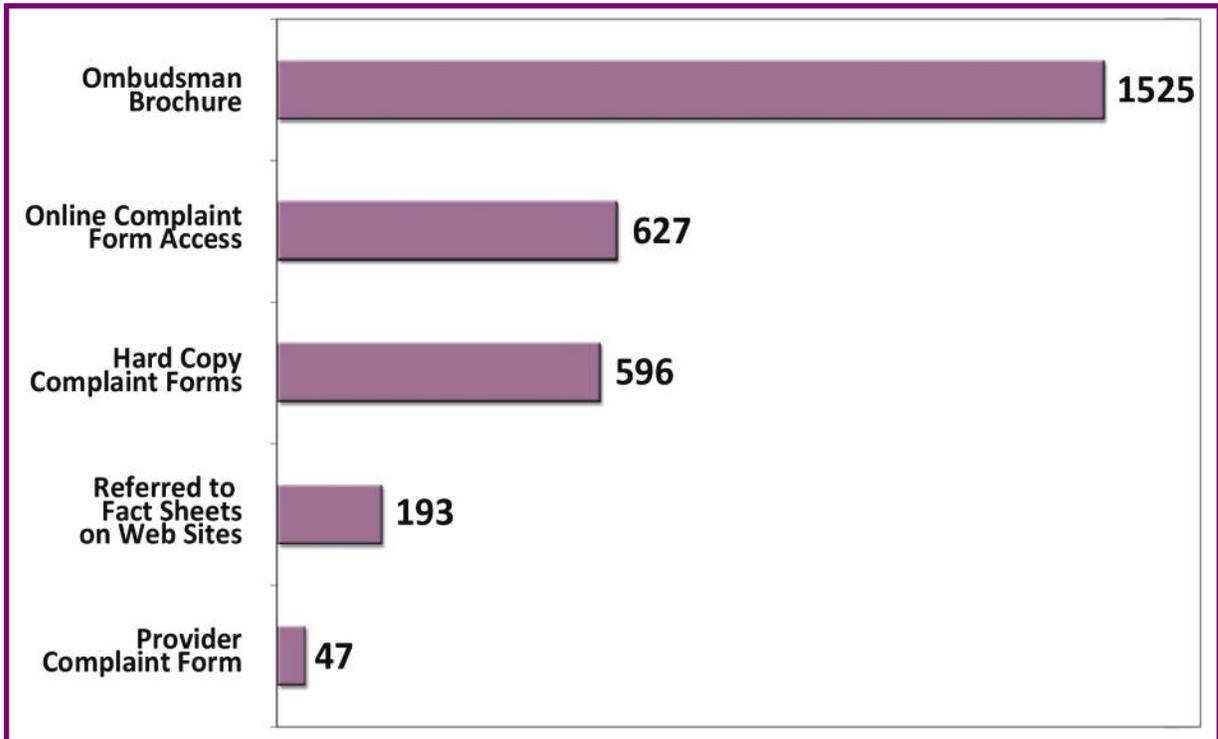
**1114 Zip Codes Contacted by
23917 Total Calls Received**

2 – Calls Received By OCHI 2012 (by categories) [Top 15] (Exhibit 2-1)

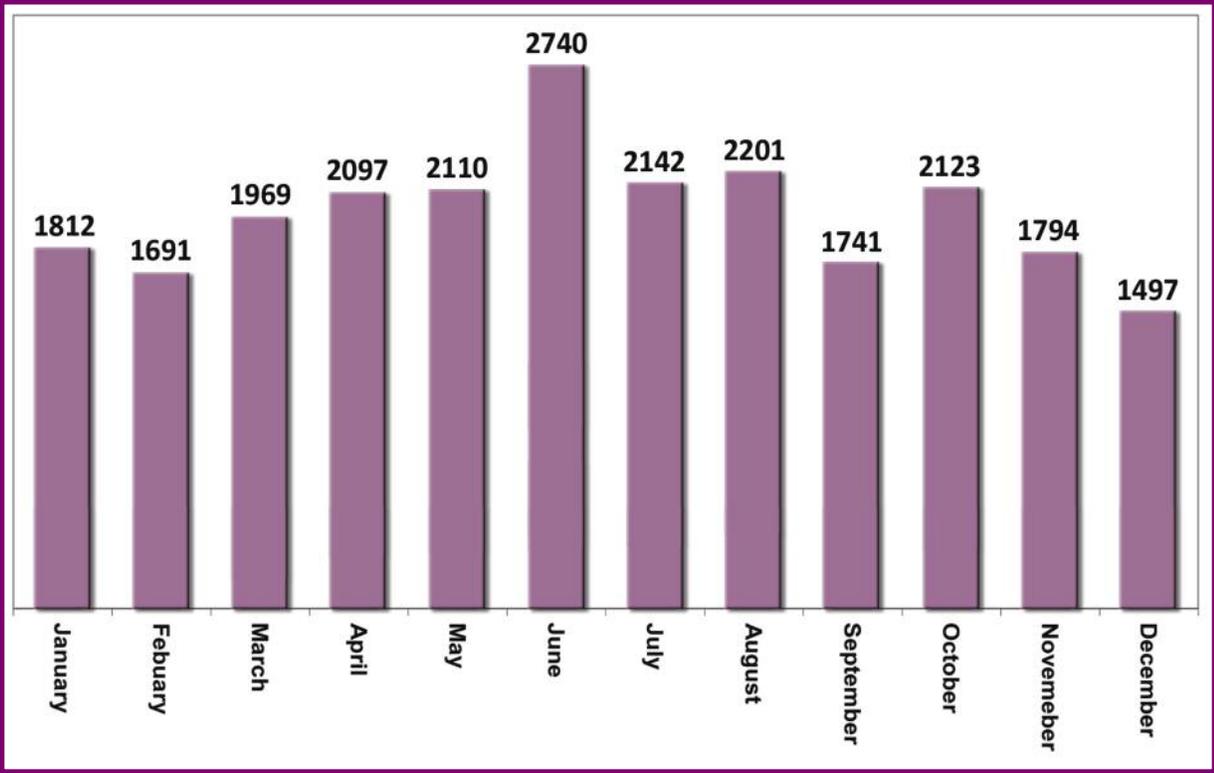


3 – Materials Sent To Consumers by OCHI [Top 5]

(Exhibit 3)



4 – Calls Received By OCHI Per Month
(Exhibit 4)



5 – OCHI Calls By Year (Exhibit 5)

